

# Input to the Talanoa Dialogue

2 April, 2018

## 1. Introduction

WWF's Climate & Energy Practice (CEP) works towards the following goal: By 2030, an equitable and just transition is underway that limits warming to 1.5 C, protects people and nature, and builds a climate resilient future. For that, the following outcomes are envisaged:

- *Mitigation:* By 2030, the world's greenhouse gas emissions are cut by at least 40 from 2010 levels, supported by the required systemic change in finance.
- *Energy:* By 2030, renewable energy provides 40% of global final energy demand, supported by improved energy efficiency and with universal energy access.
- *Adaptation*: By 2030, all countries are implementing national Adaptation Plans (NAPs) or equivalent, that aim to build social-ecological resilience to climate risks and impacts.

WWF CEP goals and outcomes, as well as the Paris Agreement temperature goals, will only be achieved if countries step up ambition in their Nationally Determined Contributions (NDCs). Countries have an unprecedented opportunity to do so for following reasons:

- Renewable energy and other relevant technologies have advanced significantly.
- Business leaders are seeing climate action as a cornerstone of competitiveness.
- Citizens all over the world are demanding that politician spearhead climate action.
- Economic losses due to extreme weather events have never been higher.
- Failure to scale up climate ambition could set us in a path of a sixth global mass extinction<sup>1</sup>, putting at risk all what we have worked for as a civilization.

In order to better align the current NDCs with the goals of the Paris Agreement, action needs to occur across all sectors of the economy in tandem, with sector-specific transformation. In addition, all actors in the economy must take part in the effort. National governments have a unique responsibility and role to play: they must send the right signals that deep decarbonization and climate preparedness is a top priority across the economy, establish the policy frameworks that facilitate the transition away from fossil-fuels and habitat conversion and degradation, and invest scarce national and other resources aligned with those objectives.

<sup>&</sup>lt;sup>1</sup> [1] WWF's *Living Planet Report* (2016) shows that by 2020 - the time when carbon emissions ought to have peaked - we will have lost two thirds of global wildlife populations.

But other actors in the economy – local and subnational governments, companies, investors, academic institutions, civil society organizations and citizens at large – have a central role to play as well. These actors can deliver emission reductions of their own and reduce their vulnerability to the impacts of climate change, so directly contributing to a more rapid achievement – and over-achievement - of national development and climate objectives. They can collaborate with each other, accelerating the uptake of mitigation and adaptation solutions. They can drive change in technological and economic systems, kickstarting innovations, lowering costs and making it easier for other stakeholders to take action. By being at the forefront of climate action, they can normalize the value of low-carbon and climate resilient development, build support for the transition and expand the space for national governments to act.

For WWF, 2020 is not just a key milestone for enhancing climate ambition but also for reversing nature loss. In the run up to 2020 the importance of aligning NDC implementation with the post-2020 framework on CBD to address the rampant loss of nature and biodiversity must not be overlooked. Sustainable land use and healthy oceans are integral part and parcel to delivering the Paris Agreement, and also a prerequisite to the attainment of the Sustainable Development Goals (SDGs) that are supposed to deliver sustainable well-being to all people everywhere. The year 2020 will provide Parties with a double opportunity to demonstrate foresight and leadership on integrated action for people to thrive in a healthy environment by implementing more ambitious NDCs that integrate action on the SDGs and biodiversity loss and by agreeing an ambitious CBD post-2020 framework that reverses the trend of biodiversity loss by 2030 and is complementary to the Paris Agreement and the SDGs.

In this paper WWF provides general recommendations for NDC improvement and specific recommendations for some economic sectors, jurisdiction and actors. We also provide examples to showcase multi-stakeholder collaboration to achieve emissions reductions.

**Note:** Paragraph 20 of decision 1/CP.21 makes it clear that the principal interest in creating the Talanoa Dialogue is mitigation related. However, increasing ambition on mitigation also has implications for means of implementation, and any revision of NDCs provides an opportunity to also address the adaptation and resilience components. While this input focuses primarily on opportunities for greater mitigation ambition, it also addresses other aspects including financing and adaptation.

# 2. NDCs: General Recommendations

	Where are we?	Where do we want to go?	How do we get there?
NDCs: Emissions targets	The aggregate impact of current NDCs put the world on track to warming of 2oC or more.	Addressing sectors (as described below) enables the achievement of more ambitious emissions reduction targets, in line with agreed climate objectives.	More ambitious 2030 economy-wide targets, or adoption of such a target if it does not exist now. Advanced national emissions peaking year. Commitment to interventions resulting in additional emissions reduction in particular sectors or jurisdictions, with corresponding adjustments to national targets. The 2030 economy-wide and sectoral targets should be aligned with long term strategies and mid-century targets, to be submitted by 2020.
NDCs: Support	Although some areas of the financial sector have taken significant steps to incorporate climate change factors in decision-making, including adopting recommendations of the TCFD, the response to climate change has only begun and is far from sufficient. Questions regarding effective delivery of the committed \$100 billion continue to cast a shadow over the negotiations and implementation of climate actions.	Scaled up climate action will require greater mobilization of resources and shifting of investments to low carbon technologies and strategies. Improved NDCs can contribute to greater understanding and coordination around financing for climate action.	Parties able to provide or mobilize financing should include information about their intentions in their NDCs. Parties requiring financing should clearly identify in their NDCs what reductions they can achieve with their own resources, and the additional emissions they can achieve with dedicated international support, with estimated costs. These reductions can be matched with potential sources of public and private finance to achieve those stretch targets, including through results-based financing mechanisms.

# 2. NDCs: General Recommendations

	Where are we?	Where do we want to go?	How do we get there?
NDCs: Adaptation	Extreme weather, biodiversity loss and ecosystem collapse are becoming more likely, more frequent and more devastating. The Global Risk Report of the World Economic Forum (WEF) notes that weather-related events have caused people displacement, conflicts and deaths and cost billions of dollars. Out of 163 Parties Intended Nationally Determined Contributions (INDCs) submission, 120 Parties have put forward their adaptation contribution part of their submission.	Enhanced adaptive capacity, strengthened resilience and reduced vulnerability to climate change.	It is important to review the 120 parties' adaptation contribution based on the projected/anticipated impacts with the projected temperature scenario. The scale of adaptation needs can be identified through the National Adaptation Plan (NAPs) process. Therefore, all countries should prepare their NAP and start implementing it no later than 2020 as a crucial milestone to achieving the global goal on adaptation. The review cycle of NAPs can be in line with the NDC Cycle. The gap between adaptation finance available and the adaptation finance needs to be filled. The cost of adaptation in developing countries, could range between US\$ 140 - 300 billion annually by 2030 and US\$ 280 – 500 billion annually by 2050 depending on level of mitigation ambition (UNEP 2016).

# 3. Specific recommendations for Sectors and Jurisdictions

Sectors and Jurisdictions	Where are we?	Where do we want to go?	How do we get there?
Cities	Today over half of the world's population lives in cities, with urban populations expected to double from 3.5 billion to 6 billion by 2050. Cities are also responsible for over 70% of global CO <sub>2</sub> emissions. Urban dwellers' increasing appetites for different foods, goods and energy put more pressure on the world's land, waters and climate. The cities WWF has engaged with in the One Planet City Challenge (OPCC) face barriers such as lack of: access to finance, capacities and expertise, political power to execute key transformative projects and availability of data about what is going on within their boundaries - a crucial aspect for executing transformative change.	Comprehensive national strategies include national urban policies that support cities' efforts with a focus on key areas: developing compact and connected urban areas; promoting renewable and efficient energy that powers the built environment and urban transport ; and implementing efficient waste management systems.	Incorporating ambitious city commitments and actions into NDCs. According to a recent UN- Habitat study, 113 of 164 NDCs show strong or moderate urban content; most of these are from countries in the Global South, which include the most rapidly urbanizing regions in the world. Lessons can be learnt from existing pilots of vertical integration strategies in, for example Colombia and Indonesia, which could be improved and replicated elsewhere. Prioritizing engagement by national governments with the Global Compact of Mayors, a platform to raise ambition by supporting integration of city commitments and actions into national plans and the global framework. Implementing locally appropriate strategies that incorporate national urban policies and ensure that wider cross cutting policies accelerate the climate resilient and low-carbon transition of cities across the globe.

# 3. Specific recommendations for Sectors and Jurisdictions

Sectors and Jurisdictions	Where are we?	Where do we want to go?	How do we get there?
Forests	Despite extensive efforts to address the root causes, forest loss and degradation have been on the rise. The loss of forests doesn't just impact the climate, it has repercussions for the more than one billion people who depend on forests for their livelihoods as well as the countless plants and animals that call forests home. Of the 80 NDCs from developing countries with forest cover that WWF reviewed, only 47 establish at least one measurable mitigation or adaptation target for the forest sector.	Current deforestation and forest degradation trends are reversed. Countries halt deforestation globally by 2030 and have 50% of the area under agriculture sustainably managed with no new habitat conversion in all food producing areas. Commodity supply chains are deforestation-free and strive to avoid habitat conversion.	Forest sector commitments in NDCs can be strengthened by creating more comprehensive targets that incorporate both degraded and intact forest lands. Countries must also break down artificial barriers between land uses and create holistic, cross-cutting targets that integrate mitigation activities across the land sector. Policies and incentives, including results-based payments, for activities related to reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+) in developing countries should be fully implemented and supported. Landscape- or jurisdictional-level, multi-stakeholder approaches to establishing deforestation-free commodity supply chains should be further developed and implemented. Corporate commitments to establish deforestation-free supply chains must be linked to investment and action on the ground to avoid further forest conversion.

# 3. Specific recommendations for Sectors and Jurisdictions

Sectors and Jurisdictions	Where are we?	Where do we want to go?	How do we get there?
Business/P rivate Sector	Corporate commitments are increasingly important to national and global climate action, featured prominently in the Global Climate Action Agenda. Companies have become important first adopters for driving renewable energy through power purchase agreements and direct ownership models.	By 2030, businesses worldwide are routinely assessing climate-related risk, reducing emissions in their operations and value chains in line with climate science, leading the world toward a renewable energy future, and providing the necessary innovations for society to meet its climate mitigation and potentially adaptation needs.	Companies must adopt ambitious science-based targets to reduce their greenhouse gas emissions that are aligned with the Paris Agreement temperature goals. The development and widespread use of innovative technologies that can reduce CO2 emissions or increase access to energy around the globe must be strengthened and accelerated. Companies must commit to a just transition from fossil fuels to renewable energy.
Energy	Energy sector emissions, mainly from burning fossil fuels, account for at least two-thirds of greenhouse gas emissions <sup>2</sup> . Renewables are growing faster than most projections, but not fast enough to achieve the Paris Agreement temperature goal. A significant percentage of energy produced is wasted.	A just transition away from fossil fuels to an efficient renewable energy system must take place. Energy investments need to be directed to renewable energy and energy efficiency and away from fossil fuels.	Eliminating and decoupling fossil- fuel subsidies could ramp-up renewable energy deployment and increase national governments income to invest in nature and other poverty reduction priorities. Electrifying cities and preventing natural gas infrastructure lock-in by creating green bonds towards solar PV. Accelerating the uptake of low- carbon transport energy carriers, technologies and modes.

<sup>&</sup>lt;sup>2</sup> IPCC, AR5 2014.

## 4. WWF Case Studies

The case studies below present examples of multi-stakeholder collaboration models that can provide a pathway to achieving emission reductions.

### 4.1. Cities: One Planet City Challenge

Since 2011, WWF has run the One Planet City Challenge (OPCC) (<u>www.panda.org/cities</u>) to highlight cities across the globe taking action on climate change and their inspiring solutions. The OPCC has engaged over 400 cities across nearly 30 countries. The performance of cities varies, reflecting different national and local circumstances, capacities, policy and political contexts, urbanization trends and priorities. Lower-income cities largely focus on addressing poverty, while high-income cities focus more on sustainable consumption.

Still, a common determination to act on climate change links these cities. Many see such action as a way to improve urban quality of life, for example by: tackling air quality, improving urban mobility, providing cool, green spaces for recreation and relaxation, ensuring access to basic services such as clean energy, and gaining co-benefits for employment and economic growth. This determination is reflected in the Bonn-Fiji Commitment of Local and Regional Leaders, where at COP23, city leaders and networks declared their commitments which could collectively decrease emissions by 1.3 GtCO<sub>2</sub>e per year from business as usual in 2030, achieving a cumulative total of 15.64 GtCO<sub>2</sub>e between 2010 and 2030. Cities are committed to help national governments achieve and exceed existing NDCs.

### 4.2. Forests: Tackling Deforestation Through Coordinated Action On The Ground

In the Democratic Republic of the Congo, WWF has supported the realization of REDD+ through a large jurisdictional REDD+ program in Mai-Ndombe province. WWF's activities contribute to the implementation of the very first large-scale component of the Enhanced Forest Landscape Management Project, which is being carried out by the DRC government through the Forest Investment Program. This initiative has taken a participatory approach to implementing payments for ecosystem services (PES) through locally managed tree nurseries, which reduce pressure on natural forests by supplying fuelwood for cooking and charcoal production.

The project provides the payments in phases. First, communities receive 10 cents per acacia seedling they produce. Three months after communities have prepared the degraded land with support from the project and planted seedlings, they receive their first payment for the establishment of the plantation (US\$75 per ha); nine months after plantation, they receive a second payment (US\$50 per ha) if the seedlings have been properly maintained; and 27 months after initial plantation and after the dry season, communities receive a third payment (US\$25 per ha) if the area is thriving. The communities participating in this project have already grown more than 100,000 acacia seedlings, and are generating income by planting them to restore degraded land. The program uses acacia because it grows quickly and can rapidly provide wood for fuel and building, with the goal of taking pressure off

natural forests. To date, about 60 Payment for Environmental Services (PES) contracts have been signed.

Thanks to this project, people in the Botulu community have refocused their activities by shifting to savannah agriculture, abandoning activities that cause deforestation. Forests are starting to recover, and villagers have started implementing development projects for their community with income generated from the project. Moving forward, the success of this project can be used to inform and increase the ambition of the DRC's NDC commitment to reforest 3 million hectares by 2025.

### 4.3. Business/Private Sector Engagement: Science-Based Target Initiative

The Science Based Target Initiative, led by WWF, CDP, WRI and the UN Global Compact, is built around the idea of aligning corporations with the requirements of specific temperature objectives, based on the transformations that the entire sector will have to undergo to align with those targets. Here we provide some very brief descriptions of how some corporations came to adopt such targets. More information about these and other cases can be found here: <u>http://sciencebasedtargets.org/case-studies/</u>

Under this initiative it was a logical step for Sony to set a science-based target as it was already aligned to their "Road to Zero" environmental plan, and their CEO played a crucial role in getting executives on board. Nevertheless, Sony still faces challenges ahead, as they have set targets for their suppliers to meet as well. Sony can only reduce its' supply chain emissions on an absolute basis by working with those suppliers. For other companies aiming to set a science-based target, they first had to revise their sustainability strategy to take a more proactive approach. This is the case of Dell, who decided to change course and not only reduce their own emissions, but also to tackle seriously one of the largest sources of greenhouse gas emissions in their value chain: their customers' energy consumption. They understand that their customers are expecting them to be a responsible corporate citizen, and they need to be so if they want a future license to operate. The company has also found their science-based target helpful in retaining talent, for example millennials that care about environment.

# 4.4. Unlocking the Power of Renewable Energy through Stakeholder Collaboration: REBA

As countries move toward a low-carbon future, businesses are stepping forward to demand more renewable energy. But the journey hasn't always been easy. That is why the Business for Social Responsibility, the Rocky Mountain Institute, the World Resources Institute and WWF created the Renewable Energy Buyers Alliance (REBA). REBA is an umbrella program made up of five initiatives with a collective goal to help business voluntarily purchase 60GW of additional renewable energy in the US by 2025. Today, more than 70 iconic, multinational companies that represent enormous demand for renewable power have signed on to WWF's Corporate Renewable Energy Buyers' Principles. Together, these companies project enough demand for renewable energy by 2020 to power 6.2 million American homes. For companies navigating their own purchases of wind and solar farms, the business resource center aimed to make those transactions simpler and faster. Known for technical analysis and detailed

studies of market transactions, RMI took the lead in creating the Business Renewables Center, which launched in early 2015.

The Buyers' Principles and RMI's Business Renewables Center are the core initiatives of what has become the Renewable Energy Buyers Alliance, or REBA. The alliance connects the work of WWF and RMI with WRI, which leads state-level dialogues between corporate buyers and utilities, and BSR, which runs an initiative that helps data centers boost their renewable power use. Through REBA, the organizations work together to make renewables more readily available and accessible to large-scale energy buyers. The alliance's goal is to help US corporations add 60 gigawatts of renewable energy capacity to the grid by 2025. That's a lot of power—equivalent to half of all the wind and solar energy added to date.

REBA is growing internationally, with programs now in China, India, Mexico and Southeast Asia. The engine of REBA is the enormous demand for renewable energy and the opportunities that can come about when utilities, companies and policy makers can come about to make the purchase of renewable energy easier, bigger and faster.

#### 4.5. How Non-Party Actor Climate Coalitions Can Support NDC Achievement

Action by national governments alone will not be enough to meet the 1.5C challenge. Non-party actors must be one of the engines that helps countries meet or exceed their NDCs. At an international level, more than 12,500 non-Party actor commitments have been entered into the <u>NAZCA portal</u>. In addition, global non-Party action platforms like the Marrakesh Partnership are catalyzing climate collaboration and commitments from within sectors (e.g. forests, energy, and industry). This year the international drive for non-Party commitments is centered around the Global Climate Action Summit in California from September 12 to 14. Leaders from state and local governments, business, and citizens from around the world, are expected to demonstrate at the Summit how the tide has turned in the race against climate change, showcase climate action taking place around the world, and inspire deeper commitments from each other and from national governments.

We've also seen a national coalition come together last year in the United States: the <u>We Are Still In</u> coalition. On June 1, 2017, the president of the United States announced that the federal government would be withdrawing from the Paris Agreement in 2020, unless suitable terms for re-engagement are agreed. On June 5, just days after the announcement by the President Donald J. Trump, thousands of subnational leaders across across the United States banded together to announce "We Are Still In." The unprecedented coalition is now made up of more than 2,600 U.S. subnational actors from all 50 states committed to climate action. The We Are Still In group represents 130 million Americans from across all 50 states and accounts for \$6.2 trillion of US GDP brought under one banner to tackle climate change. These non-Party stakeholders can help fill the ambition gap in the U.S. by working collaboratively across sectors and through local networks. The one piece of this story that is dissimilar to all other countries, is that the current U.S. administration intends to withdraw from the Paris Agreement. However, this does not lessen the potential for non-Party actor climate coalitions to have impact in other countries around the world.

#### 5. Conclusion: Moving Forward

It is in our hands to to make or break the future of our planet. Key economic players, such as businesses and city governments, are moving at a pace never imagined, showing that technology, prices and mindsets are changing. At the same time, international processes such as the UN Convention on Biological Diversity and the Sustainable Development Goals have begun to recognize the systemic nature of the most acute social problems and the cross-cutting role of climate. National Governments are being challenged to harness and mainstream innovation across sectors and nations. The Talanoa Dialogue is the opportunity for countries to step up ambition by improving their NDCs. This could be done in a number of ways. We hope that the few we highlighted in this paper can inspire parties to move forward and take further and much needed climate action.

For further information, contact: Ms Fernanda de Carvalho, Policy Manager, Climate and Energy Practice, WWF International - fcarvalho@wwfint.org